

January 20, 2009

Mr. Raffy Stepanian, Chief
Utilities Safety and Reliability Branch
Consumer Protection and Safety Division
California Public Utilities Commission
320 West 4th Street, Suite 500
Los Angeles, CA 90013

Subject: Notice of General Order 95/128/165 Inspection Violations
North Bay Division – Marin and Napa Districts

Reference 1: Letter from Robert Turner to Eleanor Pefferman,
Dated October 22, 2008

Dear Mr. Stepanian:

EA 2008-34

The staff of the Utilities Safety and Reliability Branch (USRB) of the CPUC conducted a General Order (GO) 95/128/165 inspection of electric facilities in the North Bay Division, Marin and Napa Districts, from July 28 through August 1, 2008. The inspection included an audit of PG&E records relating to GO 165 patrols and detailed inspections conducted by PG&E during the 2005 through 2008 period. The USRB documented its inspection results in Reference 1.

Reference 1 requested a detailed response to each of the General Order violations raised. This letter provides that detailed response.

General Order 165 Violations

The records portion of the inspection included a review of 131 maps and 241 EPCM notifications, covering overhead and underground patrols and inspections plus associated logs, for 2005 through 2008. One open notification that was reassessed in 2008 did not note a second abnormal condition observed in the field. Enclosure 1 addresses this issue.

General Order 95 Violations

The overhead field portion of the inspection covered 28 locations. Reference 1 identified two facility conditions. Enclosure 2 provides a detailed inspection Finding Data Sheet (FDS) for each identified condition. The FDS identifies the action that was or will be taken, including the EC notification that existed or was created to document the field condition, and the date the action was or will be completed.

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General Order 128 Violations

The underground field portion of the inspection covered 17 locations. Reference 1 identified one facility condition. Enclosure 2 provides a detailed inspection Finding Data Sheet (FDS) for this identified condition. The FDS identifies the action that was or will be taken, including the EC notification that existed or was created to document the field condition, and the date the action was or will be completed.

Comment and Recommendation

Enclosure 3 provides detailed responses to the CPUC's comment and recommendation relating to transferring PG&E equipment to a new communications pole and a possible contradiction in the EDPM manual pertaining to Priority G notifications.

Please contact Holly Meyer-Zebzda at 415-973-7372 if you have any questions regarding this response.

Sincerely,

/s/

Eleanor Joyce Pefferman, Manager
EO ESR Sustainable Electric Reliability - Quality Assurance

Cc: Mr. Steve Artus, CPUC Utilities Safety and Reliability Branch

Enclosure 1

**PG&E Response to
California Public Utilities Commission**

**North Bay Division (Marin and Napa Districts)
CPUC Inspection Report**

GO 165 Records Findings

GO 165 Findings
CPUC Inspection Report 1-CPUC-NB-2008-139
North Bay Division (Marin and Napa Districts)

INSPECTION INFORMATION

GO	Finding	CPUC Contact	CPUC Phone #	PG&E Area
165	1	Steve Artus	415-703-2898	7

Inspection Start Date	CPUC Report Date	Planner Group	Audit Location
July 28, 2008	October 22, 2008	7NQ, 7NL	Marin, Napa

INSPECTION FINDING

CPUC Finding:	<p>General Order 165 – Inspection Cycles for Electric Distribution Facilities</p> <p>IV. Standards for Inspection, Record-Keeping, and Reporting</p> <p>Appendix A, Electric Company System Inspection Cycle (Maximum Interval in Years)</p> <p>Section IV, states in part:</p> <p style="padding-left: 40px;">“For all inspections, within a reasonable period, company records shall specify circuit, area, or equipment inspected, the name of the inspector, the date of the inspection, and any problems identified during each inspection, as well as the scheduled date of corrective action. For detailed and intrusive inspections, companies shall also rate the condition of inspected equipment. Upon completion of corrective action, company records will show the nature of the work, the date, and the identity of persons performing the work.”</p> <p>Refer Notification #102489853: The Notification was created in 2007 and reassessed in 2008 for a rotten pole top. The center conductor affixed to the pole with two bell insulators had one badly damaged insulator; approximately one third of the insulator skirt was missing. The condition was not documented on the Notification. The Notification was not updated with the insulator condition nor was a new Notification created for the condition.</p>
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PG&E RESPONSE

<p>The notification number referred to by the CPUC is for replacing a crossarm at Stone Dr. and Cambridge in Novato. The CPUC mistakenly stated that this notification was for replacing a rotten pole top. However, the CPUC did correctly note that a damaged insulator is also present on the same facility as identified by Notification 102489853.</p> <p>It is not PG&E's practice to record all abnormalities at a given location. PG&E inspectors are required to identify all <u>significant</u> conditions. The violation cited above is not considered by PG&E significant enough to document on the notification. North Bay inspectors are specifically trained to not call this type of chipping if there is a second, sound insulator existing on the line.</p>

Enclosure 2

**PG&E Response to
California Public Utilities Commission**

**North Bay Division (Marin and Napa Districts)
CPUC Inspection Report**

Finding Data Sheets

Finding Data Sheet
CPUC Inspection Report 1-CPUC-NB-2008-139
North Bay Division (Marin and Napa Districts)

INSPECTION INFORMATION

GO	Finding	CPUC Contact	CPUC Phone #	PG&E Area
95	1	Steve Artus	415-703-2898	7

Inspection Start Date	CPUC Report Date	Planner Group	Audit Location
July 28, 2008	October 22, 2008	7NQ, 7NL	Marin, Napa

INSPECTION FINDING

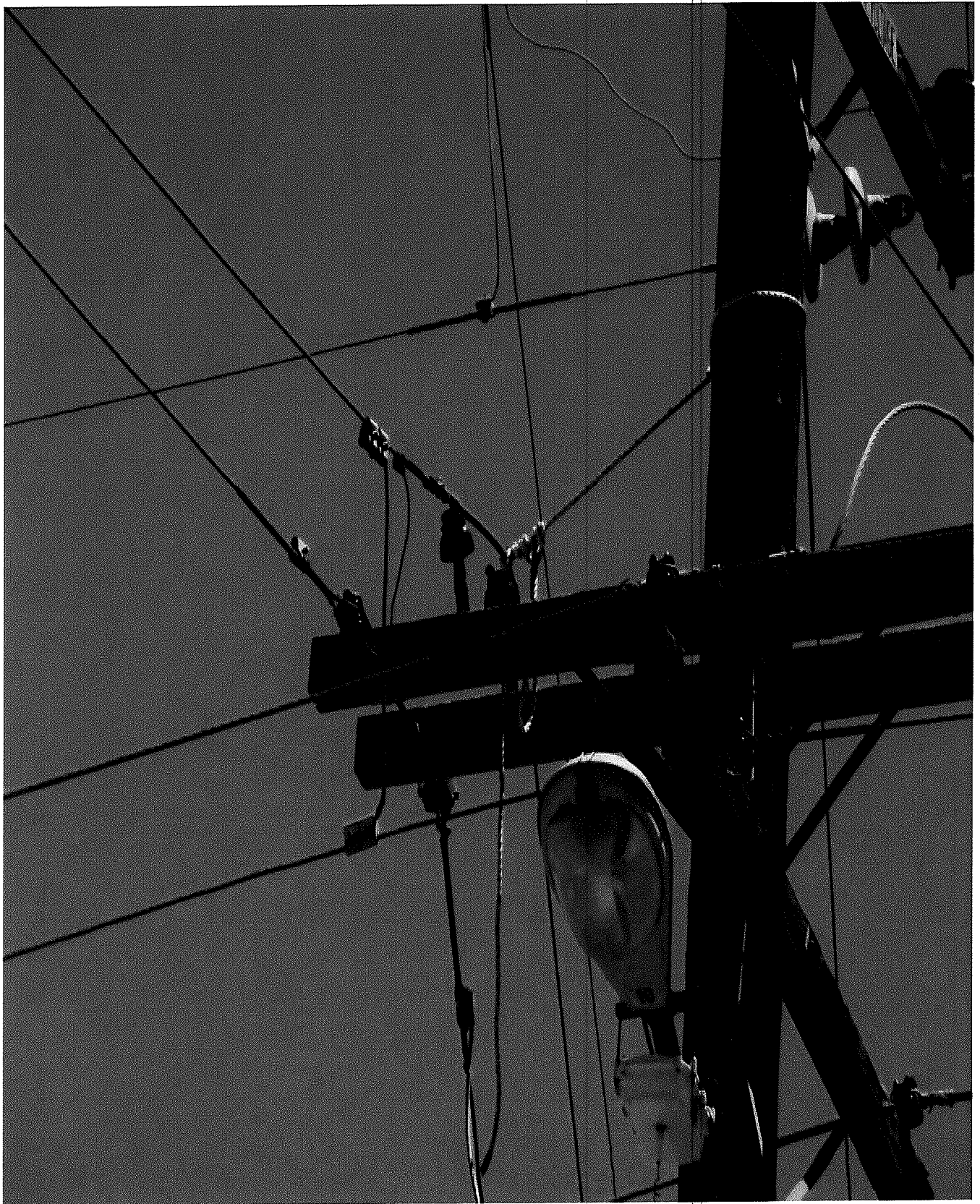
Location:	SW corner of Stone Dr, at Cambridge, Novato	Map No.:	QQ3221	Location:	
CPUC Cited Rule(s):	31.2	Equipment ID:			
CPUC Finding:	Refer Notification # 102489853. The rotten crossarm was unable to securely keep the insulator pins set, allowing the pins to be completely removed from the crossarm and leaving the conductor fully supported by only a rope. The notification was inappropriately reassessed since the rope was both holding up the weight of the conductor and providing tension on the conductor because the path of the conductor changed angle at pole. The tension provided by the rope was supporting the weight and path of the conductor. A three month reassessment given after the rope had already been in place for an unknown time was excessive. The strength, condition, and durability of the rope were unknown and posed an incalculable safety factor to maintain the integrity of the facilities. Prudent repair of the crossarm should have been initiated with a high priority when PG&E tied the conductor with a rope.				

PG&E RESPONSE(S)

PG&E disagrees the tag was inappropriately reassessed. Although the date of rope installation is unknown, it looked fairly new when observed during the inspection. Further, the conductor is 1/0 aluminum (light weight) and the angle is slight (see attached photo), creating a strain of approximately 100 pounds. The rope is 1/2 inch diameter, which meets the minimum load requirement of 650 pounds per PG&E's Code of Safe Practices, Data Section, page 8.

ACTION REQUIRED

EPCM Notification No.	Due Date	Completion Date
102489853	12/31/08	12/3/08
Action Taken:	Crossarm was replaced.	



Finding Data Sheet
CPUC Inspection Report 1-CPUC-NB-2008-139
North Bay Division (Marin and Napa Districts)

INSPECTION INFORMATION

GO	Finding	CPUC Contact	CPUC Phone #	PG&E Area
95	2	Steve Artus	415-703-2898	7

Inspection Start Date	CPUC Report Date	Planner Group	Audit Location
July 28, 2008	October 22, 2008	7NQ, 7NL	Marin, Napa

INSPECTION FINDING

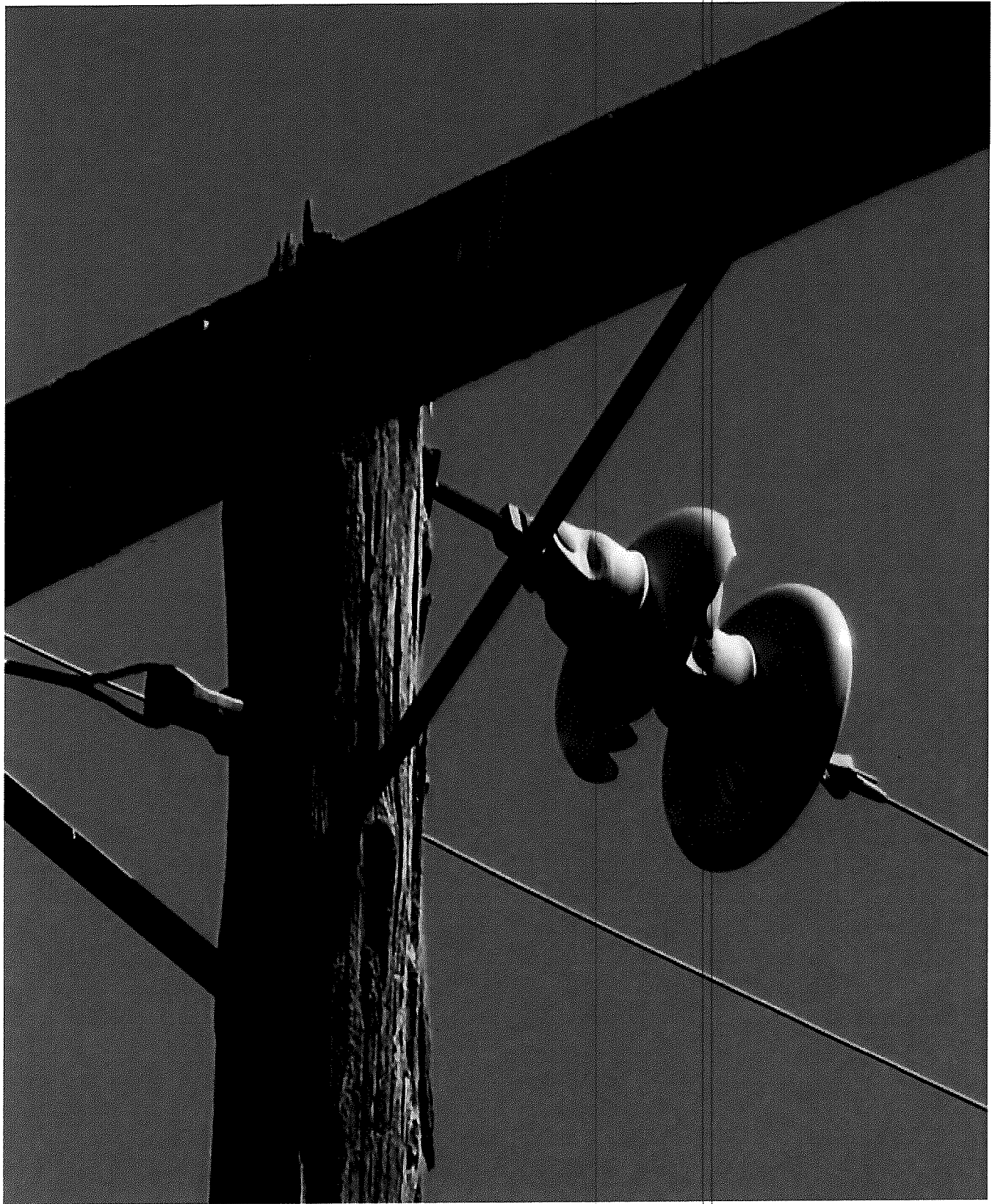
Location:	End of Beattie Ave., Novato	Map No.:	QQ3303	Location:	
CPUC Cited Rule(s):	31.1	Equipment ID:			
CPUC Finding:	Refer Notification #102488801. The Notification was created in 2007 and reassessed in 2008 for a rotten pole top. The center conductor affixed to the pole with two bell insulators had one badly damaged insulator; approximately one third of the insulator skirt was missing. In photos I took using a telephoto lens, there appears to be dark or blackened spots on the remaining portion of the insulator that may have resulted from tracking but would require a closer look for certainty. Additionally, since the Notification did not document the broken insulator, I was uncertain if the inspector determined if the integrity of the entire insulator was further compromised. The reassessment was for only the pole top so there's no record of if the inspector determined that the damaged insulator will support the dead end conductor for an additional year, or if that can even be determined without removing and inspecting the entire insulator. While pole rot is regularly witnessed, assessed and monitored, I am not aware of nor was I provided when asked any standard, knowledge, or experience that can reasonably assess the integrity of a badly damaged dead end insulator.				

PG&E RESPONSE(S)

This chipped insulator is not a condition the inspector is expected to document (see attached photo). The "dark or blackened spots on the remaining portion of the insulator" is dirt or moss and there is no sign of tracking on the arm or the pole. The insulators will be replaced as part of the pole replacement, which is in an environmentally sensitive area and requires permits and a dry time of year to perform the work.
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ACTION REQUIRED

EPCM Notification No.	Due Date	Completion Date
102488801	6/5/09	
Action Taken:		



Finding Data Sheet
CPUC Inspection Report 1-CPUC-NB-2008-139
North Bay Division (Marin and Napa Districts)

INSPECTION INFORMATION

GO	Finding	CPUC Contact	CPUC Phone #	PG&E Area
128	3	Steve Artus	415-703-2898	7

Inspection Start Date	CPUC Report Date	Planner Group	Audit Location
July 28, 2008	October 22, 2008	7NQ, 7NL	Marin, Napa

INSPECTION FINDING

Location:	22 Platt Court, Mill Valley	Map No.:	T3321	Location:	
CPUC Cited Rule(s):	32.7	Equipment ID:			
CPUC Finding:	Refer Notification #102866651. The vault lid was damaged by vehicles and was not securely affixed to the vault. It was located in an apartment building parking lot. The notification was inappropriately reassessed since the violation presented an immediate hazard to vehicles and persons.				

PG&E RESPONSE(S)

PG&E agrees the notification should have been addressed sooner. It was made safe with barricades during the inspection and the entire subsurface box was replaced on 11/25/08.
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ACTION REQUIRED

EPCM Notification No.	Due Date	Completion Date
102488801	12/31/08	11/25/08
Action Taken:	Replaced subsurface box.	

Enclosure 3

**PG&E Response to
California Public Utilities Commission**

**North Bay Division (Marin and Napa Districts)
CPUC Inspection Report**

Comment and Recommendation

Concerns and Recommendations
CPUC Inspection Report 1-CPUC-NB-2008-139
North Bay Division (Marin and Napa Districts)

INSPECTION INFORMATION

Comment/ Recommendation	CPUC Contact	CPUC Phone #	PG&E Area
1	Steve Artus	(415) 703-2898	7

Inspection Start Date	CPUC Report Date	Planner Group	Audit Location
July 28, 2008	October 22, 2008	7NQ, 7NL	Marin, Napa

INSPECTION QUESTION/REQUEST

CPUC Comment:	Refer Notification #102504152. Across the street from this location I saw a new pole installed by a communication utility with all the communication facilities transferred over from the adjacent pole. The old pole had a pole top extension supporting a PG&E service drop. PG&E needs to transfer the service to the new pole and remove the old pole.
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PG&E RESPONSE

PG&E's Service Planning Department was notified of this situation by the Compliance Department on November 25, 2008, to initiate the process of transferring the service.

Concerns and Recommendations
CPUC Inspection Report 1-CPUC-NB-2008-139
North Bay Division (Marin and Napa Districts)

INSPECTION INFORMATION

Concern/ Recommendation	CPUC Contact	CPUC Phone #	PG&E Area
2	Steve Artus	(415) 703-2898	7

Inspection Start Date	CPUC Report Date	Planner Group	Audit Location
July 28, 2008	October 22, 2008	7NQ, 7NL	Marin, Napa

INSPECTION QUESTION/REQUEST

CPUC Recommendation:	I found the PG&E 2008 EDPM manual contradictory in the explanation, application, and Notification management of Priority G. The chart in the Notification and Assessment chapter explaining Priorities on page 78 states that Priority G is for maintenance that "cannot be deferred". Yet, in the Reassessment section of that chapter, the manual states a QCR may field visit a Priority G Notification and determine "a new repair/response time frame (duration) may be established." The inconsistency of direction provided by the manual is confusing to me and can be confusing to QCR's and Compliance Supervisors. In the Notifications I sampled during the audit I found several reassessed Priority G Notifications. The EDPM manual needs to provide direction in the use and management of Priority G that is not contradictory.
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PG&E RESPONSE

We have made modifications in the 2009 EDPM manual to communicate clearer and consistent expectations. In the Reassessment Section we've indicated that no reassessments are allowed for conditions that are considered "Priority G".

Please note, though, in our actual maintenance practices there are situations where the Priority G condition may be reassessed or not addressed by the established due date. Some examples include:

1) There are few situations in which it is acceptable to allow a notification to go past its due date. These situations should be infrequent and usually are due to circumstances beyond PG&E's controls. Examples include:

- significant customer impact;
- severely limited access due to flooding, landslides, etc.;
- inability to do the work safely due to transient conditions such as road work by another utility or contaminated soil; or
- a major emergency, storm response, or short-term resource sharing that significantly impacts resources.

2) There may be situations where resources are not available to perform the estimate or field work. In these cases, we direct the divisions to field check the location/condition. If it is deemed the work needs to be done now/soon, they secure/re-schedule resources to address the tag. If the location is safe, they do not "reassess" the tag but document the actions taken in the long text of the notification, and then schedule the work for the next/reasonable time. This, in essence, will be a tag that is completed after the established due date.

3) The Priority G assignment was incorrect. We are still addressing data quality issues of Grade 2 tags that were previously reassessed converted incorrectly to Priority G tags (instead of Priority P) during the October, 2007 Business Transformation(BT) effort. In addition, for the first 2-3 months after BT, some conditions were incorrectly written as Priority G, instead of Priority P based on the new scheduling prioritization model. As divisions prepare and look at the upcoming tag work (ideally 3 months in advance), they are addressing these tags to reflect the correct priority code – in these cases, this may mean a change in the Priority Code from G to P, and a reassessment date.